

FISCAL NOTE

Bill #: HB0113

Title: Reallocate certain school timber money

Primary Sponsor: Devlin, R

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
General Fund	(\$1,000,000)	(\$900,000)
State Special Revenue	\$1,000,000	\$900,000
Net Impact on General Fund Balance:	\$1,000,000	\$900,000

<input type="checkbox"/> Significant Local Gov. Impact	<input type="checkbox"/> Technical Concerns
<input checked="" type="checkbox"/> Included in the Executive Budget	<input checked="" type="checkbox"/> Significant Long-Term Impacts
<input type="checkbox"/> Dedicated Revenue Form Attached	<input type="checkbox"/> Needs to be included in HB 2

Fiscal Analysis

ASSUMPTIONS:

1. Income attributable to the difference between the average sale value of 18 million board feet and total income produced from the annual timber harvest on common school trust lands (aka school Technology Acquisition Funds) will be \$1 million in FY 2004 and \$900,000 FY 2005.
2. Revenues received in FY 2004 and FY 2005 and dedicated for school Technology Acquisition Funds will be used instead to pay the state's share of district FY 2004 and FY 2005 basic and per-student entitlements. Under current law those funds would be distributed to all K-12 school districts in FY 2005 and FY 2006 as state grants for school technology purchases.
3. Revenues deposited in the Guarantee Account are the first source of funding for district basic and per-student entitlements; a state general fund appropriation is the second source of funding. An increase in Guarantee Account revenues available to pay district basic and per-student entitlements serves to decrease the state general fund appropriation needed for those entitlements.

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(continued)

FISCAL IMPACT:

	<u>FY 2004</u> <u>Difference</u>	<u>FY 2005</u> <u>Difference</u>
<u>Expenditures:</u>		
Local Assistance	\$0	(\$1,000,000)
<u>Funding of Expenditures:</u>		
General Fund (01)	(\$1,000,000)	(\$900,000)
State Special Revenue (02)	<u>\$1,000,000</u>	<u>(\$100,000)</u>
TOTAL	\$0	(\$1,000,000)
<u>Revenues:</u>		
State Special Revenue (02)	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	\$1,000,000	\$900,000
State Special Revenue (02)	\$0	\$0

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

State grants to school district Technology Acquisition Funds will be \$1 million less in FY 2005 and \$900,000 less in FY 2006.

LONG-RANGE IMPACTS:

Due to the delay in expenditures for school technology, as mentioned in assumption 2, the expenditure of school technology funds will be \$900,00 less than under current law. Revenue for technology expense will resume in FY 2006, but expenditures will not resume until FY 2007.